## CITY OF MINNEAPOLIS NUISANCE CONDITION PROCESS REVIEW PANEL

In the matter of the Appeal of Director's Order To Demolish the Property Located at 2206 16<sup>th</sup> Avenue S. Minneapolis, Minnesota.

FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATION

This matter came on for hearing before the Nuisance Condition Process Review Panel on April 12, 2012, in City Council Chambers located in Minneapolis City Hall. Noah Schuchman, chair, presided and other board members present included Patrick Todd and Darrell Washington. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Kellie Jones represented the Inspections Division. The trustee of the owner, Ioannis Nompelis was not present at the hearing. Based upon the Board's consideration of the entire record, the Board makes the following:

## FINDINGS OF FACT

- 1. 2206 16<sup>th</sup> Avenue S. is a duplex in the Ventura Village neighborhood. The 2 ½ story structure was built in 1900. The building is 2,347 square feet and sits on a 3,690 square foot lot.
- 2. The property has been determined to be in substandard condition. The structure was the subject of a fire on February 13, 2011, and sustained substantial damage. On July 14, 2011, the property was condemned for being a boarded property and remains boarded at this time.
  - 3. The City Assessor's Office rates the overall building condition as fair.
- 4. On January 20, 2012, a Director's Order to Demolish the property, located at 2206 16<sup>th</sup> Avenue S. was sent to the trustee of the owner, Ioannis Nompelis, based upon the Inspections Division of the City of Minneapolis determination that the property at 2206 16<sup>th</sup>

Avenue S. met the definition of a Nuisance under Minneapolis Code of Ordinances (hereinafter "M.C.O.") § 249.30. The applicable sections of M.C.O. § 249.30. provide that (a) A building within the city shall be deemed a nuisance condition if:

- (1) It is vacant and unoccupied for the purpose for which it was erected and for which purpose a certificate of occupancy may have been issued, and the building has remained substantially in such condition for a period of at least six (6) months.
- Out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, or the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days.
- (3) Evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building.
- (4) Evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.
- 5. On December 13, 2011, the trustee of the owner, Ioannis Nompelis, appealed the Director's Order to Demolish, stating that the hope was to rehabilitate the property and that after the fire occurred at the property it was uninhabitable and was boarded by the owner and cleaned out and that the property was not rehabilitated due to a lack of insurance funds. The trustee's

letter also stated that they had a contractor and had the financial ability to complete the restoration of the property. A hearing was set for April 12, 2012.

- 6. Pursuant to M.C.O. § 249.40(1) the building was examined by the Department of Inspections to ascertain whether the nuisance condition should be ordered for rehabilitation or demolition. Considering the criteria listed in M.C.O. § 249.40(1) the Inspections Department found:
  - a. The estimated cost to rehabilitate the building is \$112,248.00 to \$157,992.00 based on the MEANS square footage estimate. The assessed value of the property in 2012, was \$60,000.00. The assessed value of the property in 2011, was 160,500.00, in 2010 the assessed value was 171,500.00 and in 2009 it was 190,500.00. The after rehabilitation value of the property is estimated at \$165,000.00 per the CPED contracted appraiser.
  - b. The Ventura Village neighborhood organization and property owners within 350 feet of 2206 16<sup>th</sup> Avenue S. were mailed a request for community impact statements. The Department of Inspections received five (5) in response. All five responses stated that the property has had a negative impact on the community with four of the five stated that the property should be demolished, with one statement saying "Since the fire in February 2011, this property has been a nest for crack dealers, crack users, prostitutes, and gang activity. It is completely neglected by the owners. It has never been shoveled or mowed since the fire. My boyfriend and I have to board and re-board the door a number of times. The front yard is covered in a drift of broken glass, rotting dog food, and used condom wrappers. It is terrifying to live next door to this house."

- c. The Preservation and Design Team staff conducted a historic review of the property finding that the property does not constitute a historic resource and the demolition permits have been signed and returned to Minneapolis Development Review.
- d. The vacant housing rate in the Ventura Village Neighborhood was around 8.8% in 2010, of the approximately 850 houses on the City's Vacant Building Registration 9 are in the Ventura Village neighborhood, a neighborhood of approximately 2,593 housing units.
- 7. Based on the condition of the property, the cost to rehabilitate and the after market rehab value the Department recommended that the property should be demolished in order to eliminate the nuisance condition the property constituted.
- 8. Mr. Nompelis, trustee for the owner Vasileios Nompelis Revocable Trust, did not appear for the hearing on April 12, 2012, and no plan to rehabilitate was presented to Department Staff on the owner's behalf. At this point the Department has not been presented with a plan for rehabilitation or a showing that there is financing in place to complete a rehabilitation of the property. It does not appear that the owner has a plan or financing in place to rehabilitate the property.

## **CONCLUSIONS**

1. The building located at 2206 16<sup>th</sup> Avenue S. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(1) as the building is vacant and unoccupied for the purpose for which it was erected and the building has remained in such a condition for a period of at least six months.

- 2. The building located at 2206 16<sup>th</sup> Avenue S. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(2) as the building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, and the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days.
- 3. The building located at 2206 16<sup>th</sup> Avenue S. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(3) as evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building.
- 4. The building located at 2206 16<sup>th</sup> Avenue S. meets the definition of a nuisance condition as set forth in M.C.O. § 249.30(a)(4) as evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.
- 5. The building located at 2206 16<sup>th</sup> Avenue S. meets the definition of a nuisance condition as defined by M.C.O. § 249.30 and a preponderance of the evidence, based upon the criteria listed in M.C.O. § 249.40, demonstrates that the building needs to be razed. The building has been damaged by a fire in February of 2011, and the owner has done nothing to rehabilitate the home and make the necessary repairs. Since the fire the building has become vacant and boarded. The owner does not have a plan in place to rehabilitate the property. Unless the

property is demolished the property will continue to be a nuisance in the neighborhood and affect the values of the surrounding properties.

## RECOMMENDATION

That the Director of Inspections' Order to Raze the building located at 2206 16<sup>th</sup> Avenue S. Minneapolis, Minnesota, be upheld.

Noah Schuchman Chair, Nuisance Condition Process Review Panel